



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Set Public Hearing for October 3, 2007, for Lodi Memorial Hospital regarding issuance of tax-exempt obligations and approval of the California Statewide Communities Development Authority's issuance of indebtedness to construct a new Lodi Memorial Hospital project (Budget)

MEETING DATE: September 19, 2007

PREPARED BY: Kirk Evans, Budget Manager

RECOMMENDED ACTION: Set a public hearing for October 3, 2007, on behalf of Lodi Memorial Hospital regarding the issuance of tax-exempt obligations and approval of the California Statewide Communities Development Authority's issuance of indebtedness to finance construction of a new Lodi Memorial Hospital project.

BACKGROUND INFORMATION:

Lodi Memorial Hospital has submitted an application to the California Statewide Communities Development Authority (CSCDA) for financing new construction and upgrades of various medical facilities through the issuance of tax-exempt obligations. The aggregate principal amount will not exceed \$150 million. The City of Lodi has been asked to assist with this process by conducting a public hearing on October 3, 2007, with respect to the proposed financing.

The CSCDA is a joint powers authority comprised of over 480 California public agencies. The City of Lodi is a member. The CSCDA is authorized to assist in financing facilities for non-profit organizations such as Lodi Memorial Hospital. In order to initiate such a financing, the member of the CSCDA in which the project will be located - in this case, the City of Lodi - must conduct a public hearing. Although the CSCDA will be the issuer of the tax-exempt revenue obligations for Lodi Memorial Hospital, financing cannot proceed without the City of Lodi's approval.

FISCAL IMPACT: There is no fiscal impact on the City of Lodi

FUNDING AVAILABLE: N/A

Kirk J. Evans, Budget Manager

Respectfully submitted,

James Krueger, Deputy City Manager

APPROVED: _____
Blair King, City Manager